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the help of some constitutional pandit in this matter, discuss it with him and enlighten myself on that question before I can help the House with suggestions. I thought I could raise the objection which you were good enough to accept and therefore the proceedings of the House went on the other day. But since the House is going to rise to-day and there is going to be some interval between this sitting and the next, I thought I can seize that opportunity to consult people who will know something about this procedure and then come armed with knowledge sufficient to help you. Therefore I suggest that this discussion may be postponed advantageously to the next occasion when the House meets."

MR. PRESIDENT:—"I have no objection to that kind of procedure. I don't want to force it on you to-day."

SRI R. SURYANARAYANA RAO:—"What is the meaning of the words 'disposed of,' Sir?"

MR. PRESIDENT:—"I do not want to force it on the House to-day. I only wanted to have the matter cleared up. If you are not prepared to take it now, it is all right and we can have it on another day."

THE HON. DR. T. S. S. RAJAN:—"I shall certainly see to this, Sir, before the next sitting. I only wanted to point out that we can discuss it later."

MR. PRESIDENT:—"There is absolutely no hurry about it."

SRI R. SURYANARAYANA RAO:—"Sir, rule 63 says: 'the business then under discussion shall be considered to be disposed of.' There was no business under discussion when this motion was applied. Has my resolution lapsed altogether? That arises out of this discussion. I was hoping . . ."

MR. PRESIDENT:—"I think the hon. Member would do well to go to Dr. John or get at some constitutional lawyer and get the information and then take suitable action."

GOVERNMENT BILL.

IV.—THE MADRAS ESTATES LAND (REDUCTION OF RENT) BILL, 1947 (L.A. BILL No. 24 OF 1947).

MR. PRESIDENT:—"Hon. the Revenue Minister for whom we have been waiting so anxiously, may speak."

THE HON. SRI KALA VENKATA RAO:—"I understand, Sir, that the Bill was moved the other day. If my hon. Friends will offer their criticisms, I will answer them."

MR. PRESIDENT:—"If you have anything to add to what has already been said by your learned colleague . . ."

THE HON. SRI KALA VENKATA RAO:—"For the opening I think my friend has done perfectly well, Sir." (Hear, hear.)

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SRI B. BHIMA RAO :—“ Sir, the typewritten speech read by the Hon. Minister, Mr. Madhava Menon, when the Revenue Minister was absent has raised one doubt. With regard to clause 5 of the Bill as passed by the Assembly, I take it, Sir, that the Government have settled that all religious, educational and charitable inams attached to certain institutions should be dealt with under the provisions of this Act. But it has been stated in the Press that the Hon. Minister's statement is to the effect that the net loss that these institutions will incur will be made good by the Government. In the reports that have appeared in the Press, there is absolutely no qualification or limitation. In the marginal note to clause 5 of the Bill, it has been mentioned that the Provincial Government would make good any income lost by religious, educational or charitable institutions and while moving the Bill the other day the Hon. Minister, Mr. Madhava Menon, said in his speech, which I think was deliberate because the speech was typewritten, that the Government would make good such net losses suffered by these institutions. But when we are interpreting the actual wording of the clause, we have to read the amended clause 5.

“ Clause 5 reads as follows :—

5. (1) *Where by reason of the foregoing provisions, the net income derived by any religious, educational or charitable institution from any estate belonging to it in the fasli year 1357 or in any subsequent fasli year until the commencement of the fasli year in which the estate may finally be taken over by the Provincial Government, becomes less than the average net income derived by the institution from such estate during the five fasli years preceding the fasli year 1357, the Provincial Government shall make good the loss sustained by the institution by paying to it at the end of the fasli year in question the amount of the difference between the net income derived by the institution in such fasli year and the average net income aforesaid.* 11-30 a.m.

“ Sir, if one interprets this clause strictly, it means that the net loss will be paid in fasli 1357 or for a year or two more. If the Government is brisk in attending to the details in pursuance of the Bill and the lands are taken over, it may take two or three years utmost. That means that Government undertake to make good the loss only for a limited period of one year or two years or three years. But statements have appeared to the effect that the loss will be made good for posterity. That means we are committing the future Government. The Ministry, I hope, will last as long a time as possible, but this Government cannot commit future Governments to make good the loss of net income.

“ Sir, I sent an interpellation to your office asking for information regarding the net losses of these temples. From what I hear, I think, the figure will be enormous. In the case of the Tirupathi temple itself—probably Mr. President, you know better—I have

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heard from the members of the Devasthanam Committee that the present income is seven lakhs and if the inams are taken over by the Government and converted into ryotwari tenure, the income would be only 10 per cent. That means that in the case of one temple itself, the amount is enormous. I may be wrong."

THE HON. SRI KALA VENKATA RAO :—" The Tirupati temple has not got inams."

MR. PRESIDENT :—" The estates of the Tirupati temple are not inams. They are registered estates (impartible estates)."

* SRI B. BHIMA RAO :—" I have got similar information with regard to other temples which work out to one-tenth of the present income. That is why I wanted information by means of an interpellation. If really a commitment is made that the Government will make good the income year after year, it is up to them to have an estimate made of the probable amount that would have to be paid to these institutions in future. That is why I sent copies of the interpellation to the Finance Minister, the Revenue Minister and also to your office, so that this information may be ascertained. Because it would be absolutely necessary if the intention of the Government is to make good the loss in perpetuity in future. I say, 'Let us be frank and let us not be accused of any kind of treachery to these institutions.' If Government really mean to pay for two or three years till they take over the inams under the provisions of this Bill, let them plainly say so to the managers of these institutions and the authorities of these institutions. Otherwise, let it not be said that we made an indefinite promise to pay such and such an income in future. That is the information I seek from the Revenue Minister.

" Sir, I also see from reports in the Press that the Revenue Minister has been authorized to publish the communication of the Working Committee of the Congress. That may not be quite relevant, but that is a point on which the House will require information. If the Hon. Minister lays the communication before the House, we may have the necessary information with regard to clause 5."

THE HON. SRI KALA VENKATA RAO :—" I have no objection, Sir, if all the Members of the House join the Congress Party."

SRI B. BHIMA RAO :—" So far as this House is concerned, I think, it is entitled to the information which I want. It should have an answer whether this loss of net income will be paid in perpetuity by the Government to the managers of these institutions or whether it will be only for two or three years till such time as the Government take over these inams."

* SRI C. N. MUTHURANGA MUDALIYAR :—" Mr. President, Sir, I rise to support the Bill before the House. In doing so, I am prompted to make one or two remarks. The Bill is named 'Rent Reduction Bill.' I would have felt happy if it had been called 'Rent Equalisation Bill.' (Sri B. Narayanaswami Nayudu :

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'Rent Abolition Bill!') I shall not be so irresponsible, Sir. (Laughter.) 'Rent Equalisation Bill' I would have liked very much.

"Sir, for several years past there has been an agitation that the zamindars have been rack-renting the tenants and benefiting themselves over and above what they are entitled to. That is the origin of this Rent Reduction Bill and it is the precursor of the Zamindari Abolition Bill, which has taken in its scope the Inams Abolition Bill also. Sir, the agitation was started because the northern zamindars were rack-renting the tenants to an abnormal extent. Now the Bill before us covers the whole Province. The southern zamindars are not so much rack-renters as the northern zamindars. I am sorry to say it, because some of my zamindar friends may misunderstand me and think that I am complaining that Andhradesa is not so good as Tamilnad. But it is not my intention. However, I think that the northern zamindars are charging abnormally high rents from their tenants out of proportion to the Permanent Settlement rates. In the south, it is not so. Of course, there may be some zamindars who are rack-renting their tenants and charging higher rates than the Permanent Settlement rates, but generally speaking, so far as I know of the central districts and the southern districts, the zamindars and the inamdars are collecting rents within bounds. In several cases, the inamdars have been collecting only the 1802 rates or a little above them.

"Sir, Estates Land (Amendment) Bills were passed on two or three occasions enabling the zamindars (and later on inamdars) to collect two annas in the rupee more for increase in price and two annas in the rupee more for improvements by the zamindars. Some zamindars have utilized the provisions of the Bill for increasing the rates. But several inamdars in my district and in the surrounding districts have not—perhaps in ignorance or perhaps out of generosity, I cannot say—increased their rents as allowed by these Acts. To-day, many of the inam villages and some of the zamin villages are paying the same rents according to the old settlement rates. They are not anywhere near the ryotwari rates. If the Bill had been named 'Bill for the equalization of rents with the neighbouring ryotwari villages', then these inam and zamin villages, which are paying less than the ryotwari rates, will be asked to pay increased rents. And proportionately, the people who are giving up their inams and zamindari will get a little more compensation. But when we asked the Revenue Minister, he said that he was not going to enhance the rents of the inam and zamin villages which are paying less than the neighbouring ryotwari rates. (Interruption.) I am one with the Revenue Minister and even before he became Revenue Minister I have been saying that this Province should have only one tenure—that is the ryotwari tenure. I am glad that he is trying to get about something in that direction. But justice also must be done to the inamdars who are deprived of their inams, by giving them a little more compensation. No doubt, I am not

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saying all these to pick up a quarrel with the forward people, if any here, who think that there should be dispossession of the inams without compensation. But so long as there is the question of giving compensation, I say a little more compensation may be given to the inamdars and the zamindars who have been collecting only much lower rates of rent than the ryotwari rates and were not rack-renting the tenants. For their ignorance or generosity, a little more consideration may be shown to them by enhancing their rents to the ryotwari rates and giving them better compensation. There is a double advantage in this. The Government also will benefit by collecting ryotwari rates from these inam villages which have been collecting only lower rates. In this way, the Government which is short of money can get a little more revenue from its own ryots. My hon. Friend Sri Bhima Rao of Bellary was raising a doubt whether this enhanced compensation will be given to the temples temporarily for three or four years or perpetually. What right have we to commit the coming Government in the matter of giving perpetually a higher rate of compensation? He raised that issue. I wish to remind him that the East India Company has resumed several of the estates belonging to the temples, and I wish to mention particularly the Srirangam temple. Rs. 40,000 a year are being given to the Srirangam temple from the days of the East India Company. We have tacitly accepted it and we are giving that amount. If the estates were now belonging to the Srirangam temple, it would be getting three times the Rs. 40,000. To that extent the Government stand to gain. Where is the difficulty in accepting to give compensation in perpetuity to the temples whose inam lands you are now programming to take away and which are likely to yield more income under the ryotwari tenure unless you are prepared to lower the ryotwari rate which has to be done some day or other. What difficulty is there in giving these temples the full annual income that they are likely to get from the estates for the upkeep and maintenance of religious worship and religious propaganda which appertain to these temples? I fail to see how any Government that is likely to benefit by taking away the inams can object. Are you apprehensive that this country will come under blackshirt administration? You don't have that apprehension so long as we in this country are religious-minded and spiritual-minded. So long as our country is led by leaders like Mahatma Gandhi and Pandit Jawaharlal Nehru, I have no fear of that sort. No Government which benefits by the legislation that we are now enacting can object to paying the temples a perpetual compensation on a most liberal and reasonable scale.

"I should like to mention one more thing. Have not the British Government been giving ecclesiastical grants to Christian churches without resuming any of their inams? Do the churches have inams in this country? Whoever objected to it? Have the Congress Government since 1937 stopped it? Why should any future Government object to what we are doing now? Have we not been giving perpetually higher grants for European education in

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this country from the tax-payers' funds? Whoever objected to it? So there is no need for Mr. Bhima Rao to become apprehensive that the future Government may object and to say: 'you shall not legislate for perpetuity; give compensation for two or three years only' and all such things. Sir, I support this Bill entirely."

SRI B. BHIMA RAO :—" My doubt was that section 5 did not express in such definite manner as is spoken of by my hon. Friend."

* SRI R. SURYANARAYANA RAO :—" I am one among those in this House who are in no way affected by this Bill. But still, I would like to know what the object of the Hon. Revenue Minister is in bringing forward this Bill, especially when the other Bill dealing with a far more important matter is already on the anvil of the Legislature. I would also like to know the necessity for rushing through this Bill, when the other Bill, which has already been moved in the Lower House, is likely to become law in two or three months. Could not the provisions of this Bill have been embodied in that Bill? Where is the need for hurry? That is the question I wish to ask. Instead of adopting the circuitous method of a Special Officer making enquiries and determining the fair rent and reducing the rents in zamindari and inam lands to the level of rates in ryotwari areas it would have been easier if the Hon. Revenue Minister had said that the rents shall be reduced to the rates prevailing in the surrounding ryotwari area. Take any district. For example, in Nellore there is a zamin village. On all sides it is surrounded by ryotwari villages. If the rates in the zamin village have to be reduced, can you not simply say that they shall be brought to the level of the rates in the surrounding ryotwari area? If the rates in the ryotwari area itself are high, they will make common cause and ask for reduction. As a layman I am only asking whether this will not be simpler. There may be legal difficulties, but can they not be solved when the other Bill becomes law? The Hon. Sri Madhava Menon said that this Bill should be passed in this session and that it should come into force as soon as possible, when we suggested that this might be postponed to the January session. There may be very valid reasons for the Government to feel that this Bill should be passed immediately. As a layman, I wish to be enlightened on these two points whether the provisions of this Bill could not have been included in the other Bill and whether reduction of rents could not be effected more easily by declaring that the rents shall be reduced to the level of rates prevailing in the neighbouring ryotwari area.

" I have given notice of an amendment and I shall speak on it when it is taken up."

SRI M. D. T. KUMARASWAMI MUDALIYAR :—" Mr. President, the hon. Friend who preceded me said that this Bill was not so essential at this stage because the Government had taken up the other Bill also into consideration. But I know that the Government will certainly push through this Bill. Anyway, I

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would like to have information on a few points. Do the Government expect the zamindars to collect *peishkash* for fasli 1357? Have they not received *peishkash* for the month of November, and if so what are they going to do with them? Have they not issued notices to the zamindars for attachment proceedings because the amounts are due before the end of December? What is it that they have done? Have they issued any specific orders to the revenue authorities? The ryots are taking shelter under the Bill and are not paying the zamindar. In that case, is the zamindar liable? How are the Government going to treat all these matters? All these are matters which require clarification."

12 noon. * SRI D. KRISHNAMURTI :—" Mr. President, Sir, this is a measure which has been brought forward by the Hon. Revenue Minister to tide over a critical situation. To-day a feeling has been gaining ground among the ryots that they can put off payment of the legitimate rents due to the zamindars as rents are going to be considerably reduced by the Government. The whole situation is now in a nebulous condition. The ryots want to know definitely the rent to be paid to the zamindar before they are called upon to pay their dues.

" Sir, I have met a number of zamindars who find it absolutely impossible to collect rents from their tenants even to the extent of paying their *peishkash* to the Government and they told me that they have been impressing upon the Hon. Minister for Revenue and other authorities the necessity for the immediate constitution of a machinery to enable them to collect rents from the tenants to which they are entitled under the existing law. Viewing it from the above standpoint, this Bill is absolutely necessary. But I want to appeal to the Hon. Revenue Minister that the machinery to be set up under this Bill should be of such a character that it can discharge its duties properly, effectively and promptly without giving room for litigation on doubtful points.

" Sir, section 5 of this Bill is a very elaborate one. As far as I can see, I am not able to understand in what period of time the Government would be able to inform these charitable, religious and educational institutions the amount that would be given to them as compensation. It would be a very bad policy on the part of the Government to interfere, by legislation with the existing incomes of these institutions. I was connected with religious institutions for a long time, and I still have some connections with important charitable institutions. What I am afraid of is that in the actual working of this clause, probably we may have to meet with very serious difficulties because of the cumbersome procedure laid down therein. I want to make an appeal to the Hon. Minister for Revenue to see that the provisions of the Bill are so liberally interpreted as to cause no undue hardships to the existing temples or mutts or other charitable and religious institutions on account of the change in the agrarian policy of the Government. It is the primary duty of the Government to maintain these time-honoured institutions and to allow them to function as far as possible so that these

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religious, charitable and educational institutions may not suffer for want of funds. All of us might have seen from the papers that the temple of Somanath is going to be rebuilt by the Dominion Government and all Hindus will naturally feel very glad over this event. Let not similar things like another invasion of Ghori happen to our mutts and our ancient temples in our Province by this legislation. It is a very onerous duty for the Hon. Minister for Revenue to try to effect changes in the incomes of these institutions without prejudice to their customary religious practices. I am sure he will be able to rise equal to the occasion and see that no disgrace is brought on the Government by reason of these agrarian reforms.

"I once again appeal to the Hon. Minister for Revenue to see that the machinery to be set up under clause 5 of the Bill is prompt and effective. I also wish at the same time that this Bill should work out the intentions of the Government in such a liberal spirit so that none of these institutions might suffer."

SRI S. B. ADITYAN :—"On a point of information, Mr. President, may I know from the Hon. Revenue Minister whether there are any zamindari villages in which rents are less than those in the adjacent ryotwari areas?"

THE HON. SRI KALA VENKATA RAO :—"Yes, there are some zamindari villages like that Sir, in the Presidency."

SRI S. B. ADITYAN :—"Mr. President, Sir, it is my experience within recent months as a legislator to have received a number of leaflets, either printed or typewritten or written by hand, all drafted by legal minds objecting to the inclusion of inams under this Bill and I am sure that some of these might have reached the Hon. Minister for Revenue. Many are the objections raised by them and one of the objections repeatedly put forward is this. Some inamdar in the Pattukkottai taluk in the Tanjore district has bought an inam land there about 10 or 12 years ago when the rent was at a certain level. The inamdar says that he bought this inam property on the basis of the rent then prevailing and under the impression that the rent was permanent. He calculates the value of the land at so many times the rent—say 20 years or 25 years—and says that he paid a capital sum for the purchase of that particular inam property. Now suddenly the rent is proposed to be reduced under this Bill and therefore he loses the value of the property. On the basis of the conditions then prevailing and on the basis of the laws then existing, he paid a capital value to the land, thinking that there would not be any change in the laws or in the rent in the future. But as a result of this Bill the value of the land has considerably gone down. This is more or less in the nature of an expropriation which he considers quite illegal and he has threatened even to take this matter to a court of law and see that this particular Bill which provides for the reduction of rent is made illegal and beyond the powers of the Government. That is how his argument goes. I dare say the Hon. Minister for Revenue must have taken legal opinion and must have foreseen all these objections and met them.

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" Sir, another argument frequently put forward by these inamdars is the case of the poor widows who are in the enjoyment of an inam property. It is very common for those who have been in the legal profession to come across this kind of argument. In order to support vested interests, they often bring up hard cases before the public and say that that is the average case which is affected by this measure. One rather gets utterly tired of hearing the case of poor widows often being brought to the fore, both in the press and on the platform describing their pitiable plight and stating that they have got to support a number of children and that they are depending entirely on certain inam property for the maintenance of their children and that they will be left in the lurch if the income from such property is reduced, and so on. It is well-known, Sir, that hard cases should not be allowed to make bad laws. It may be that there are certain bad cases arising out of every legislation and there may be similar bad cases arising out of this Bill also, but it must be remembered that it is always the interest of the many as against the interests of the few that the State must look to, in bringing forward a measure of this kind. There may be cases here and there where this Act might work some degree of hardship, but what about the case of millions of tenants and cultivators who perpetually suffer under the groaning weight of heavy rents in these inam villages? This Act is mainly intended to benefit those cultivators and tenants. That I believe, is the reason why religious and charitable institutions are also brought within the ambit of this Bill. The beneficiaries of this measure are the tillers of the soil. According to the Congress manifesto, all the intermediaries who come between the actual tiller and the State were to be eliminated. No discrimination was made in the Congress manifesto in favour of any religious or charitable inams.

" Sir, three or four days ago, the Prime Minister of India made a speech in which he said that the economic uplift of our people is the first consideration of the Government and that no religious consideration will be allowed to stand in the way of the uplift of the common people. I dare say that in section 5 of this Bill whatever is required for the running of these religious, charitable and educational institutions are provided for by the Government, so that none of these institutions will really suffer.

" Sir, in this connection may I correct a wrong impression which is prevailing in the minds of some hon. Members? My hon. Friend Mr. Krishnamurthi observed just now that the Somanath temple is going to be rebuilt by the Government of India. That is not so. It has been definitely announced that the Government moneys are not going to be spent for the purpose of rebuilding this temple. It is to be built by public donations and not out of the funds of the Central Government. So religious considerations play very little part in the affairs of the Central Government.

" Sir, my hon. Friend Mr. Krishnamurthi also mentioned that difficulties were experienced by the zamindars and inamdars to

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collect rents from their tenants. It is quite true. Cases have come to light where zamindars and inamdars were unable to collect their present rents, because the tenants were not willing to pay the rents as they do not know how much is to be paid. The quantum of rents to be paid by the tenants are not fixed under this Bill, although the principle has been enunciated. It is therefore all the more reason why this Bill should be rushed through, so that all its provisions may be brought into force and the rents in zamindaris and inams ascertained and fixed as soon as possible."

* DR. V. K. JOHN :—" Mr. President, I am definitely of the opinion that this Bill is *intra vires* of the legislature. At the same time we have to be careful and must keep certain principles in mind in passing this Bill into law. Wherever Democratic Government functions, we must accept certain principles.

" Sir, I have always advocated the cause of cultivating tenants and I have said more than once that we should adopt the reforms which were adopted in Germany in the last century to enable the cultivating tenants to become the owners of the land by an annuity payment. I know I am not on that subject now, although I sympathize with the cultivating tenants and I want them to be owners of the land. But so far as this Bill is concerned, I regret I cannot commend it for the acceptance of the House.

" Sir, as I said, there is a certain principle of law which should always be borne in mind by the legislature. First of all the idea underlying this Bill is to bring down the rents in the zamindari and inam lands to the level of the ryotwari assessments. It is an accepted principle that a tax or assessment on a land is imposed by the authorities and not by agreement between parties. But rent, unlike a tax is not a matter imposed by law or by the State; it is the result of agreement between the parties. It is in the nature of a contract. Therefore the first thing which a legislature is to consider, particularly when it happens to be a democratic legislature is whether it should interfere with the sanctity of contracts. It may be right on the part of the Government or the legislature to interfere if the tenants are oppressed, or if there is any rack-renting anywhere. But here I do not find that there is anything like that; nor is there any mention of the term 'fair rent' in this Bill. If there was rack-renting and we interfere and said that the rack-renting should go or that it should be reduced to the level of fair rent, then it is in accordance with the accepted principle which is followed in other civilized countries and there is no harm in the Legislature interfering with the contract between parties. But that is not so here. If the Hon. Minister for Revenue says that the contract between the zamindar and the tenant is the result of undue influence or duress and not out of free choice between one individual and another, then I can understand the legislature interfering with it. But I do not find anything of the sort mentioned in this Bill. Therefore I say that the legislature ought not to interfere with the sanctity of contracts unless there is very good

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reason for it to do so. The making of contracts is an inherent right of the parties and should never be interfered with by the State, unless that freedom is inconsistent with the security of the State or for the good of the community. Sir, in this Bill, this Legislature seeks to interfere with the freedom of contracts for no reason whatsoever, and therefore, I regret I cannot support it.

"Then, Sir, this Bill leaves almost everything to the Special Officer appointed by the Government. No doubt his recommendation will go before the Board of Revenue, the Board of Revenue will make its remarks and the matter will then go to the Government and the Government will fix the rent. But why should the jurisdiction of the court be excluded when you interfere with rights relating to property is a thing which I cannot understand. Sir, this Legislature may lay down rules; it may give guidance in the matter of fixing the rent. But when it is the Government that fixes the rent, why should the Government deny the aggrieved party the right to go to an impartial tribunal or a court of law, if the party considers that the rent fixed is unfair, and if the decision of the lower court is not favourable, to take the matter to a final court of appeal? Like every other piece of legislation recently introduced by this Government, here also the jurisdiction of the court has been sought to be excluded. Why should the Government distrust the court? Is it because the Government is doing something which an impartial tribunal will not endorse? Or is it because they feel that there will be delay? If so, it can certainly set up a sufficient number of tribunals to dispose of these cases quickly. I do not see why in every enactment recently brought forward in this House, the jurisdiction of the civil court has been excluded. This tendency of the Government is very objectionable and should be avoided. The Government should think twice before excluding the jurisdiction of civil courts.

"Then Sir, this is a Bill which will affect the finances of this Province inasmuch as the Government is going to make good the loss of income to the religious, charitable and educational institutions as a result of this Bill and the general tax-payer is going to be asked to pay for it. What is the provision in clause 5 of the Bill? It says that the Provincial Government is to make good the income lost by religious, educational or charitable institutions by reason of this Bill. What is the idea underlying this provision? It implies that some injustice is going to be done to the owner of the land who happens to be a religious or educational institution. If there was rack-renting or if they were collecting more than they ought to collect, then in justice and in law, there need not be any compensation whatsoever. But if you are going to reduce the income which they get, which you think, must be made good from the general revenues of the Province, then I say it is unjust to the general tax-payer. Why should the general tax-payer be made to pay for the loss of income to these institutions caused by Government action? The Government should exclude these inams, if they so want. What is provided here is that the tenant will pay

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part of the rent and the other part will be paid by the Government. This, Sir, is a very inequitable piece of legislation, inequitable to the general tax-payer. I should like to ask the Hon. Minister for Revenue whether he has considered this aspect of the question under section 5 of this Bill. I do not understand why the revenues of the Province should be depleted and why the general tax-payer should be loaded with this tax, in order to benefit the tenants of religious and charitable institutions. It is unfair that the Government should make a distinction between religious inams and private inams. How can a law distinguish between one individual and another? Suppose a religious or charitable institution after receiving compensation sold away the land to somebody else. Then what will happen? We must always encourage the transfer of property from one person to another; but now why prefer one class of owners to another class of owners? If you are favourably inclined to assist charitable, and educational and religious institutions, why not pay them a grant or a compensation by including such a provision in this Bill? I say that not only is this inequitable, but a general impression will be created among owners that they are being expropriated. I ask the question whether in any democratic Government, is it good to create an impression in the minds of the general public that the Government will expropriate persons who own property? Surely not. Whether it is expropriation by beginning with reduction of rent, or anything else, it is not good for the people as a whole, not good for a democratic form of Government. A democratic form of Government should always be based on justice, equity and good conscience. Expropriation, or taking away a man's property simply for the reason that he holds that property is not at all consistent with justice, equity and good conscience, as understood generally by the public, and particularly by the lawyer members of the public. Therefore, Sir, fortunately or unfortunately, being a lawyer and having been elected to this Council, I feel, from the lawyer's point of view and from the point of view of justice, equity and good conscience, this Bill which excludes the jurisdiction of the courts, which gives all power to the Government to reduce rent, without any provision made even for hearing—there is no provision here that the Special Officer should give a hearing to the parties, or that the Board of Revenue should give a hearing to the parties or even the Government—ought not to have been brought forward. I say this expropriation of property of private individuals is unwarranted by the existing law and inequitable from any point of view."

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DR. SIR A. LAKSHMANASWAMI MUDALIYAR :—" Sir, I wish that your suggestion had been adopted in this matter by the Government, of presenting to this House the Bill as it was first introduced and indicate the changes that were later made by the Select Committee, so that hon. Members would have been in a better position to know what exactly the Select Committee had done and how the final Bill had been shaped. If hon. Members had been given that opportunity, I feel sure they would have been surprised that there have been remarkable changes made consequent

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upon the recommendations of the Select Committee—changes that have altogether taken this Bill out of the shape it first assumed when the Government sought to introduce it.

"I shall come to these changes a little later, but I may say

MR. PRESIDENT :—" The report of the Select Committee was supplied to all hon. Members of this House."

SRI B. BHIMA RAO :—" Yes; I did not want to interrupt; but I may say I received a copy of the Select Committee report, with changes made printed in bold type; it was also published in the Gazette, I think."

DR. SIR A. LAKSHMANASWAMI MUDALIYAR :—" By the courtesy of the Secretary, I just got this copy, Sir. I was not able to get at the copy previously."

MR. PRESIDENT :—" The original Bill was circulated to all the Members, and the Select Committee's report along with the changes was also sent to the Members."

DR. SIR A. LAKSHMANASWAMI MUDALIYAR :—" What I meant was that if these changes had been separately shown in the final Bill as it was passed . . ."

MR. PRESIDENT :—" It was done, as I said."

DR. SIR A. LAKSHMANASWAMI MUDALIYAR :—" Some of the changes that were made by the Select Committee are certainly changes due to the Government's spirit of compromise on account of the very strong attitude evidently taken by some members of the Select Committee who were influential enough to get these changes adopted by the Committee. I wish to state only two or three points in connexion with the Bill.

" My friend, Dr. John, has referred to the fact that the rents as proposed to be fixed will be determined by the Special Officer and there is no provision for any appeal to the Board. I notice from the report of the Select Committee that the Government propose in their rules to give an opportunity for representations to be made. But I want one change to be taken note of by the House. In the original Bill, it was put down that the ' Special Officer, after completing his work in any estate, shall submit a report to the Provincial Government, through the Board of Revenue, specifying the rates as determined by him for lands in such estate, together with the reasons for his determination.' I am sorry that in the Bill as finally approved by the Legislative Assembly, this particular provision has been omitted. I think it would have been a very salutary thing if the special officer on each occasion had been forced by the Act itself to give the reasons for determining the rents or for suggesting the rent that he wanted the Government to accept. Then, later on it is put down: ' After

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considering the said report and the recommendations of the Board of Revenue thereon, the Provincial Government may, by order published in the *Fort St. George Gazette*, reduce the rates of rent payable in respect of each class of land in each village in the estate.' The expression is 'may by order published . . .'. It means, so far as I can understand the language, that ordinarily the recommendations of the Special Officer, if approved by the Board of Revenue, will be final. But in the Bill as amended, the Government have taken the entire power to fix the rent. I hope hon. Members will realize the distinction. Whereas in the former case, it was only open to the Government to reduce the rent, in the latter case, the entire duty of fixing the rent is taken up by the Government. The language in the amended Bill is: 'After considering the recommendations of the Special Officer and the remarks of the Board of Revenue thereon, the Provincial Government shall . . . fix the rates of rent payable in respect of each class of ryoti land in each village in the estate.' This is a matter which merits some consideration. The amount of work it entails for the Government should be taken note of. It means that the Hon. Minister in charge will fix the rent and publish it in the *Fort St. George Gazette*; and this itself would necessitate a separate Minister at least for some time to come.

" Secondly, Sir, I wish there had been an impartial tribunal to decide this question. After all, we are working in a democracy. I mean no reflection at all on the present Government; I know, with the motives they have, this provision will be acted upon exceedingly correctly; but in a democratic Government, politics play a large part and political factions and political partisans have to be appeased, and there is reasonable ground for doubt whether occasionally a person with influence may not find greater favour with the Government than a person with no influence. A poor widow—to whom reference has been made already—will certainly not find it possible to approach the Government in any manner. As far as possible, in all these matters, I feel, and I speak with some confidence, that in a democratic form of Government, it is best that the Government does not hold itself responsible for this particular type of executive work, that it leaves it to other agencies and exercises only a supervision, as a sort of revising authority which is certainly in the interests of all parties concerned. I regret that such a healthy convention has not been followed so far as this Bill is concerned.

" Now, Sir, I come to the one particular part of the Bill which is entirely new consequent upon the many discussions that had taken place both in the Legislative Assembly and in the Select Committee. This is with reference to religious, educational and charitable institutions. My hon. Friend, Mr. Bhima Rao, raised a point which was very pertinent. He was talked out or argued out of the case. Indeed we are repeatedly saying that you are

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taking a new responsibility in a democratic form of Government. To quote the British Government and particularly the bad examples of the British Government, does not seem to me to be relevant for a consideration of these things. Are we or are we not a secular state trying to exercise secular functions? To say, for instance, that the British Government had ecclesiastical bodies set up and were paying them, is not to admit that we now want the provincial tax-payers' money given to such purposes. I think I am right in saying that both the Central Government and the Provincial Government have definitely told the British that they will not hold themselves responsible for any of these grants in the future; and that is why the ecclesiastical establishment has to be wound up. With regard to the special education for European children also, the fiat has gone that there will be no special preference shown in a very short period of time, and that adjustments will have to be made. That is by the way, but my point is that when once we launch upon this programme so far as the religious and charitable endowments are concerned, it is for the Government to make good the losses, then I say we are not performing our duty as a secular state but letting a great deal of trouble to rise over this issue. I may tell you how the trouble will arise. People will imagine that as the majority of us are Hindus and most of these charitable institutions or Hindu temples have these inams, there is no question at all of any differences. But I tell you it is in these very Hindu temples and in this very Hindu society that fundamental differences do arise. If it is a Saivite endowment, such as for a math, there is one way of thinking, and if it is a Vaishnavite endowment—as my hon. friend sitting opposite knows and as Mr. Muthuranga Mudaliyar also knows—there are many differences; and note please, not merely between Saivites and Vaishnavites but also between Vadagalai Vaishnavites and Thengalai Vaishnavites, and between all sorts of sects and my friend over there coming from Conjeeveram knows that very well. I appeal to the Hon. Premier to realize this, that imputation will be made that one set of temples belonging to the Vadagalais, receive a different treatment from that given to temples belonging to the Thengalais. These are inevitable unfortunately at present. But I say this in all sincerity because the Government will let themselves in for a great deal of criticism. Already criticism has been levelled against Government by one section and another, linguistic, more or less based upon geographical situation, Rayalaseema, Andhra, Tamil, etc.; and we are now going to add to all those troubles these subdivisions of the Hindu society. Not only that. I think Mr. Bhima Rao raised a very pertinent issue when he asked whether this grant or subsidy was going to be paid from year to year. According to the Bill, it has to be paid, there is no question about it. It has to be continued. Although we might not in the near future expect a regime of which my hon. friends seem somewhat contemptuous, I do feel that it may not always be the present political party that will be in the Government. It will not also

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be to the good of that political party that it should be in Government always. Exchange of places between the Treasury Benches and the Opposition is the very life of democracy. Therefore, "it will be no sort of reflection on the present Government when I say that there must come a day when they will occupy the Opposition benches, and I should be delighted if they do so, because there will then be much more healthy criticism in this House and in the other House than we find it possible at present. What I want to state is: if that is to be case, to take on this onerous responsibility now and say 'we are going to pay to these institutions intended for religious and charitable purposes, whatever deficit there is going to be, from the taxpayers' general revenues'—that seems to me to be a fundamental principle which some of us at any rate cannot accept. If there are any compensations to be paid, it is much better we pay off such compensations now and once for all rather than leave it to posterity to pay for these measures which we are now anxious to adopt at present. But I do not state for one moment that these religious and charitable inams should be adversely affected; I think the compromise that has been arrived at by the Select Committee is not a compromise with the principles of which we can agree with any degree of clarity.

" Sir, a great deal has been said about estates and zamins. I find for instance that the Hon. the Revenue Minister has said that even in regard to zamins, the same principle of compensation will be accepted. He may correct me if I am wrong. What I mean to say is that, just as in the case of a religious or charitable or educational endowment if the rent calculated according to the rate is less, he will give a compensation, I think it has been conceded by the Select Committee that he will apply the same principle to zamin areas also."

THE HON. SRI KALA VENKATA RAO :—" The grant will be only in the case of a zamin village as a whole estate; but if it is something like the Tirumalai-Tirupati Devasthanam, we cannot accept the position."

DR. SIR A. LAKSHMANASWAMI MUDALIYAR :—" That only shows that we are letting ourselves in. We cannot imagine how the tax-payer can be asked to shoulder this burden but I hope the Hon. the Minister will elucidate this point in the course of his reply. All that I am saying is that in such an important measure as this, a little more consideration as to how best the charitable, religious and educational endowments may have been given this compensation, is required. This Bill has been brought forward from the Select Committee in a manner that has not quite enabled us to comprehend and digest all its possibilities. I am sorry the Hon. the Finance Minister is not here. He should have been consulted about the possible effects on the finances of this Province in implementing the provisions of this Bill. If possible, he must have an idea as to the amount of assessment and also the relative ideas as to how much we are committed and for what period. So

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far as the finances of the Presidency are concerned, I would like to know whether this Legislature can allow this Bill to be passed. In the case of Prohibition we know definitely beforehand that it would involve a loss of about seventeen crores of rupees and we also know the manner in which Prohibition is going to be brought about. What all I ask of the Hon. the Revenue Minister is whether he can give us approximately at least a statement as to how much the general tax-prayer will have to shoulder the burden on the particular provision of this Bill. In the absence of such a statement and because the Bill has already been accepted by the other House, I feel that we are taking a leap in the dark. I am sorry even at the Select Committee stage, the members of that Committee have not dealt with this difficult matter. They have not taken into account the income of the various religious, charitable and educational endowments according to the present rate and also the comparative reduction in income calculated on the basis of rates prevailing in the adjacent ryotwari areas. It is stated in the Bill that the Special Officer will make these calculations and make recommendations on this basis. That is something impossible for this House to understand. Instead of giving us the financial implications and asking us to give our support, they simply say, we are anxious to do justice to the ryots. Everyone is anxious to do justice to the ryots and there is no question about it. But, do not burden the general tax-payer. (Interruption.) We therefore feel very diffident, Sir, when we are asked to pass this measure, which though pregnant with good, is also pregnant with consequences which we can dimly visualize at present."

SRI K. VENKATASWAMI NAYUDU :—" Mr. President, Sir, I think the whole House will congratulate the Government on the very wise step they have taken in introducing sections 5 and 6 of this Bill. It is unavoidable that all inams should have been taken because there should not be any discretion between a zamin and an inam. But, at the same time, it is the duty of the Government to see that our religious, educational and charitable institutions are not affected. That is why this amendment was introduced to see that these institutions are paid to the extent that is necessary. Sir, I can tell hon. Members that financial questions need not deter us very much, because it will be a very small amount. Such an amount any Government must be prepared to make up and spend for the maintenance of charitable, religious and educational institutions. In fact, it is the duty of every Government to do so."

DR. V. K. JOHN :—" May I know what that amount which the hon. Member calls small is? "

SRI K. VENKATASWAMI NAYUDU :—" It will not be in crores. It will only be a few lakhs. The Government may give the exact figures, but whatever the figures may be, I know that these temple lands have not been rack-rented. The rents are really very small and so there will not be very heavy commitments.

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Sir, the Government must see that the religious, and charitable endowments are properly protected. I am very happy this Government have taken this bold step. It is but right for this Government to do so. Even the old Indian Rajahs have given ample amounts for these religious and charitable institutions and here, it is very necessary that we must compensate them at least to a small extent. We know that the incomes of these very good institutions are going down. That is why the Government have taken the courage to introduce these two clauses in the Bill.

"Sir, Mr. Bhima Rao said that he required a little clarification with regard to clause 5. The heading itself is quite clear. It says: 'The Provincial Government shall make good the loss sustained by the institution by paying to it at the end of the fasli year in question the amount of the difference between the net income derived by the institution in such fasli year and the average net income aforesaid.' But, this clause does not say and it is not known whether it will be given for all time."

SRI B. NARAYANASWAMI NAYUDU :—"Until the inams are taken over, they will be given and they will not be given for all time."

THE HON. SRI KALA VENKATA RAO :—"What is the good of asking for all time? This Bill will be only for the interim period and will be in force until the major legislation about the abolition of zamindaris is brought into effect."

SRI K. VENKATASWAMI NAYUDU :—"I want to know whether you are going to pay this difference even after the payment of compensation."

THE HON. SRI KALA VENKATA RAO :—"Those things will be taken into consideration when we move the other Bill in this House and we will then see whether some such provision is necessary."

SRI K. VENKATASWAMI NAYUDU :—"This section is put in here and there need be no doubt that this question will be considered when the next Bill comes up. As it is, Sir, we are grateful for the clarification made by the Government and I hope this intention of the Government will be pursued further in this matter. Sir, these two sections are very necessary. I do not know why my hon. Friend, Dr. Lakshmanaswami Mudaliyar is thinking about the various religious sections. It is not always that any religious dispute will arise wherever compensation is to be paid."

"I would also request the Hon. Minister for an elucidation being made with regard to endowments of the Tirumalai-Tirupathi temple. I think they stand on the same footing because this Bill refers to the estates under Estates Land Act. The zamins and the inams all come under the Estates Land Act. If the loss is incurred by the Tirumalai-Tirupathi endowments, they have also to be

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compensated in the same way as other zamins. In fact, the position of the tenants there is the same as in the other zamins and there also a lot of irrigation work has been done. (Interruption) I am not a zamindar myself. In fact, I have not been in any way affected by this Bill; but, I think the Hon. the Minister must make it clear that the Tirumalai-Tirupathi estates would get the benefit of these two sections."

THE HON. SRI KALA VENKATA RAO :—" They will not get it. The Tirumalai-Tirupathi estates are working at a loss."

SRI K. VENKATASWAMI NAYUDU :—" If it is found that there is a loss, it is the duty of the Government to do justice to them. I congratulate the Government for the very good lead they have given in this Bill. This is a National Government and it is the duty of this National Government to conduct these religious, charitable and educational institutions in such a manner that they would not incur any loss. In this particular case of the Tirumalai-Tirupathi Estates, it is perfectly justified and they must do it. I congratulate the Government on bringing forward this measure."

* SRI N. RANGA REDDI :—" Sir, I rise to support this measure. Many objections have been raised on this Bill and I would like to answer a few of the objections. Mr. Bhima Rao raised an objection in the course of this debate that it is not mentioned for what time this Act will be in force and that it is for an indefinite duration. I may submit, Sir, as has also been mentioned by the Hon. the Revenue Minister in the course of a small conversation as it were, that this Bill is of limited duration and will remain in force till the other Bill that is intended to abolish the zamindaris is put into effect and that it is intended to protect the tenant till that legislation is passed. This House is aware that protection was intended to be given to the tenant from a long time. Even as early as 1937, the Prakasam Enquiry Committee was formed and a report was also presented before the Legislative Assembly and legislation was also sought to be introduced. But, unfortunately the Legislature was dissolved and the Congress Ministry resigned and the Bill could not be put on the Statute Book. The Congress again assumed office in 1946 and they wanted to introduce a tenancy legislation but for various reasons the legislation was not introduced and the tenants began to feel that there would be no protection against this rack-renting. Therefore, as a sort of immediate and temporary measure, this Bill has been introduced to give protection to the tenants and it is no wonder that the clauses mentioned in this Bill will remain in force until the Zamindari Act is brought into effect.

" Sir, the next objection that has been raised is with regard to clause 5 of this Bill. It has been said that we are committing the tax-payer and the public by this legislation. I beg to submit one thing. In any piece of legislation, either financial legislation or property legislation, are we not committing the future posterity to a

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certain extent? After all, if it is not to their liking, they can amend the existing acts at any time. Therefore, there is no question of committing the future posterity. Are you quite sure that if we leave these inams now, they will not be abolished at any future date? What I submit for the consideration of this House with regard to this Bill is that so far as the provision for religious, educational and charitable institutions is concerned, I think it is a very good provision. We have not yet launched on a programme of abolishing all grants given to religious institutions. If that question were to come up later, we can debate on it on its merits. I cannot say that from a provision like this, this is a theocratic state. It is a secular state and we are discussing here all kinds of things.

"Sir, another point has been raised by my hon. Friend, Dr. V. K. John. He asked, is it right that the general tax payer should be burdened with an expense of this sort. He said that so many religious, educational and charitable institutions are being maintained by these inams and if these inams are to be abolished or the income of these inams is to be curtailed by virtue of this legislation, then any expenditure incurred in connection with those religious, educational and charitable institutions would be borne by the ordinary tax payer. I submit, Sir, this is an argument which is always advanced. He has also advanced the same argument when the Prohibition Bill was discussed, saying, you are getting so much revenue by way of abkari sales and by excise sales—we were getting 17 crores of revenue—and all the revenue was being utilized for our educational institutions or for other purposes which were meant to provide for the welfare of the social institutions of this Province. The point is, if you want to provide for the revenues of the province or for the educational needs of the province, is it right we should get this immoral revenue from the drunkard for this purpose? I admit that these institutions should be continued and should be expanded, but is it right that you should get the revenue from the tenant who has been rack-rented? I say it is immoral (Interruption). It is I say nothing but rack-renting. Otherwise, there is no need to bring down these rents at all. (Dr. V. K. John: 'Compensation.') Here, there is no question of compensation; the question of compensation will come later in the other Bill.

"Again, Sir, my hon. Friend, Dr. John argued at very great length, as though there is sanctity of contract; both the landlord and tenant have got complete freedom to enter into a contract and therefore why should this Legislature interfere in the relations between the landlord and the tenant. I submit, Sir, my hon. Friend has erred grievously in thinking that there is complete freedom between the landlord and the tenant. It is because the tenant was not free to enter into a covenant or a contract with his landlord on equal terms that the State has crept in and the State wants to cut down the rent to a reasonable extent. My hon. Friend thinks that because he enters into a contract with his landlord

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with his eyes open, that is freedom of contract. I submit, it is not real freedom but it is only a false freedom and it is on account of this false freedom that this Legislature has come forward to protect the tenants as against the landlord, whoever he may be. It may be that the income derived from those lands is being used for a good purpose, but that is not the consideration so far as the tenant is concerned. So far as the tenant is concerned, even if the income is spent for a good purpose, that should not be collected from the tenant at all. Therefore, Sir, I submit that this Bill is good and I support it."

* * SRI P. VEERABHADRASWAMI :—" Mr. President, Sir, it is admitted on all hands that the condition of the cultivator in our province, especially in the zamindari areas, has to be made better and better. Many of the cultivators are suffering under great disabilities and the most important of them is the high rent they have to pay for the land they cultivate. Wherever we go in the villages you find the cultivators complaining that the landlord is insisting upon having the full rent, even though he has not attended to the repair of the irrigation sources to help them to raise more crops. Therefore, it is highly desirable that there should be a uniform land tax in the whole province and the Bill that is now before the House aims at it. I welcome this measure and especially the Bill that will be coming before us in a very short time which aims at the abolition of the whole of the zamindari system.

" Sir the one objection that has been raised about this Bill is that inam lands owned by the temples will be affected and that the temples will get less revenue than before. As a trustee of a temple, I welcome this measure, because I am forced very often to go to Courts to collect the rents from the cultivators. The Government have more or less decided that the temples and religious institutions that are affected by the Bill will get as much net revenue as they are now getting. Of course, there may be a genuine grievance in the case of small inam landholder, but since there is an assurance that the compensation that will be given to the small inam villagers will be high, I think that objection can be waived. I heartily welcome this measure and give my full support to it."

SRI B. NARAYANASWAMI NAYUDU :—" Mr. President, Sir, I am sorry my hon. Friend, Dr. John, is not here. (A voice : 'He is sitting behind.') It is not the land that is being dealt with in this Bill and it is wrong to suppose that this Bill deals with the land. There are two classes of villages included in this Bill—villages permanently settled and villages with aghraharam tenure and inam tenure. Villages include also lands held by ryots, waste lands, poramboke lands, communal lands, tank beds and all those things. These things have passed from the hands of the Government to some zamindar before 1802 or to some zamindaries created by the British Government in 1802. Therefore, it is the land with regard to those villages that is now dealt with

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in this Bill and therefore to put these on the same footing as lands held by ryots is altogether wrong and this must be borne in mind. We are dealing with village tenants paying rent, instead of to the Government, to the zamindar or aghaharamdars. Therefore, Sir, the regulation of these lands has not been the subject-matter of this legislation. It has been said that there is the Regulation of 1802, there is the patta Regulation of 1802, the Rent Recovery Act of 1865, the Estates Land Act of 1908 and the subsequent amending Acts of 1933, 1936 and 1939. So far there has been no question of what may be called expropriation or anything of the kind and the real question is whether the rent payable by the tenants in aghaharam villages should be different or it should be brought down or made equal to that of the ryotwari rate. So, the real question is, a tenure question and not any other question. Therefore, if this is borne in mind, the whole thing will become apparent. Now, the question is whether the zamindari tenant and the aghaharam tenant should not be placed on the same footing as the other tenants. So far as my views are concerned, I was myself a member of the Committee that was constituted with regard to this matter and I shall just read what I recommended then. It will be found on page 351 of the Report of the Madras Estates Land Act Committee. (Part I). It runs thus :—

'The sections, therefore, of the Madras Estates Land Act restraining the ryot from using the land except for agricultural purposes and denying to him the mineral right in his holding, the taxing him according to crops raised and taxing the trees on the lands ought to be abolished, and the ryot, as I said, must be declared to be the owner subject only to the payment of the just dues to the zamindar the collection of which is the zamindar's only right upon the holding.'

" I do not know whether they are going to issue any new patta, whether the holder is the zamindar or it is the Government who is the holder or whether they will do it now after the Bill is passed, but that is another matter. This is what was adumbrated by me at the time. That question may perhaps be coming up for discussion in the other Bill to follow. The first point to be decided is, whether the ryot is to be the owner of the land. This Bill touches only the other point, namely, what is the rent payable by the tenant. My hon. Friend was asking why the other Bill also has not been introduced along with this Bill and the purpose is obvious. This Bill is intended to protect the tenant and to fix a rate so as to enable the Government to acquire the zamindaris at favourable rates. They want to acquire the zamindaris, but at the same time they do not want to collect the rents. They want to have a cipher and multiply it several times. So, on the one hand, this Bill intends to reduce the rent and on the other hand, also to reduce the zamindars. Therefore, hon. Members are aware that there is no need to get any explanation for this from the Hon. the Revenue Minister. He is piloting so far as the rent is concerned and also

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piloting so far as the acquisition of zamindaris is concerned. Of course, here there is no question of *guru-sishya vadam* going on, but here there is only the *sishya*. Here the 1802 theory has been adumbrated and it has been repeated again and again both in the platform and in the press. So, Sir, even when I was sitting as a member of that Committee, I said it was an enigma to me and I could not be a party to it. What I said then was :—

'That all the zamindari areas be compulsorily surveyed and settled on principles analogous to and identical with those under which ryotwari areas have been settled taken in conjunction with the recommendation of the Marjoribanks Committee Report and the rates fixed on such survey and settlement should be fixed for ever. Where, however, the rates existing are lower than those that may be levied under the settlement recommended the said rates should be confirmed and firmed for ever.'

"That is, lower rates also to be retained and not stepped up. My hon. Friend, Mr. Muthuranga Mudaliyar says, step them up, because even the Government will get some revenue and I may get more compensation. It seems, the real point is, have a zero, make it one, two or three and then multiply it. So far as the question of rate is concerned, reduced rent should be there and it should not be stepped up at all. This leads to suspicion. This lowering the rate will not do after the compensation amount is fixed.

"Sir, this Bill is mainly concerned with the reduction of rent and in the Zamindari Abolition to come, the rate of rent should be the same as in the ryotwari areas and you want to pay compensation only at that rate. That is the fundamental principle of the Bill and nobody could have any objection to it. In fact it ought to have been brought in long long ago, but it has been postponed from 1937 till 1947. Here, I must say as I said before, *guru-sishya* is not here; only the *guru* is here while the *sishya* is elsewhere and you may put a big *pucca namam* to the 1802 Act. I would even say, when you put the *namam*, you must also put the *namam* to his theory also. That I submit, he has fitted in this Bill. Let us see the end of this zamindari system. In fact it is one of the big sticks which they have been having all these ten years, and whether it is the 1802 settlement or whether it is the Prakasam report, we must all be grateful for this and if this stick is taken away from your party, no more need be said about the zamindar party or any other party. There is no difficulty in piloting this Bill. It is more or less like a joy ride piloting Bills in this and the other House. Anybody can do that. I may put one question to the Revenue Minister. There are certain zamindars who have been cultivating the lands. I am not talking of forest lands. I am not talking of pasture lands or other lands. I am talking of the lands which had come into the possession of the zamindars. This is not a land which is in the occupation of the ryot but is cultivated by the zamindar. It is not a camouflage. My friend near me has been cultivating his land with tobacco crop in a zamindari village

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for the last 20 years. This is not Kumbattam land. The question I would ask is: Are you going to pirate these lands? With regard to aghaharam lands you will have to survey them. The rent will have to be fixed in the case of these zamindari lands also. The Zamindar would not merely be cultivating the lands but also would have a patta in his name."

THE HON. SRI KALA VENKATA RAO :—" Is it correct under the present schedule to issue a patta in his own name? "

SRI B. NARAYANASWAMI NAYUDU :—" Legal or not legal, I am not concerned with that. One fact is fundamental and that is that he is cultivating the land. Many aghaharamdars and inamdars have been cultivating the lands themselves and not let them to anybody else. What is the attitude of the Revenue Minister with regard to these? These holdings may range from one small holding of 10 acres to holdings of nearly 1,000, 2,000 and 3,000 acres and which are in the possession of the zamindars. The point I want to know apart from the abolition of the estates is there going to be the abolition of this form of the zamindaris? I wish to know very definitely about it.

" There is one other point. I suggest that much hope need not be raised that on account of these tenures the ryots will prosper very much. There has been in the Ceded Districts ryotwari tenure from the very early times. Yet it is one of the most backward districts. Mere change of tenures will not be the cause of real prosperity. If we go much deeper into the causes, the fundamental causes, and if we want the peasants to be a prosperous class, then the question will arise what is the price you are going to give them. On the level of the prices that he will get only depends his prosperity. You are going to take 6 lakhs of tons of producers paddy, that means 18 crores of rupees. You pay now Rs. 300 instead of paying Rs. 600 which you ought to pay. May I tell the Hon. Revenue Minister that the producers lose Rs. 18 crores on 6 lakhs of tons of paddy. The recommendation of the non-official Committee was that you should pay Rs. 7-8-0 but you are paying only Rs. 7-1-0. If the Bombay price is lower you will buy from there. You are fixing a ceiling price for the producers. If this tenure is going to reduce the price to Rs. 2-8-0, Mr. Muthuranga Mudaliar will leave off his agriculture and turn to industry. Therefore I may say that there is not much point and hope in merely reforming the tenure system. I request the Hon. Revenue Minister to do his utmost to pay more prices if he wants to see that the peasants are in a flourishing condition and only when they are so will our thanks be due to him."

SRI MOTHEY NARAYANA RAO :—" Mr. President, Sir, I rise to support this Bill. I come from a zamindari family but being a congressman I feel that in justice I am bound to support this measure. Dr. John said, Sir, that sanctity of contract between a landholder and a tenant should not be disturbed. I might say and

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it is admitted on all hands that exorbitant rents are being collected in the zamindari estates as compared with the Government lands in the ryotwari villages. I know, Sir, that by force of compulsion rents have been increased by the zamindars. As I said Sir I come from a zamindari family. I know instances in which my grandfather wanted to increase the rents but generally the tenants did not like this. Then there was the handy 'divide and rule' policy adopted by the British Government which was adopted by the zamindars also. Some tenants were brought to our place and they were given sumptuous food and all that and then were persuaded to give an increased rent for the land. That is what happened in my family. I know of many more instances as this where the zamindars did not like the prevailing rents but wanted more rents and so I would say that the Zamindars did not count on the consent of the tenants in raising the rents but coerced them to give more rents and it is only fair that the Government should fix a fair rent and collect it from the tenants. They were made to pay these heavy rents not willingly but they were forced to do so. I know that in an estate in a village Rs. 25 per acre is being collected because some 40 years back tobacco was cultivated in that land. There is no tobacco cultivation there now. The adjacent land is paying only Rs. 7 or Rs. 8. This rent of Rs. 25 is being collected up to this day, Sir. It is therefore only just that Government should come forward with a legislation of this kind.

"About grants and compensations to religious and other educational institutions, I would say that they should be treated as public utility concerns and supported by the Government. We know that ours is a secular state. So there need be no discrimination between a Hindu religious institution and any other institution belonging to other communities.

"In the last case I would request the Hon. the Revenue Minister to bring forward the zamindari abolition legislation as early as possible because as we stand Zamindars are anxious that this legislation should be completed as early as possible. No rent has been collected from the tenants and no peishkush has been paid to the Government. So much so the position of the Zamindar is in a precarious condition. The Zamindars themselves are anxious that this Bill should be brought up as early as possible, of course with a fair compensation being given to them.

"I would once more request the Revenue Minister to see that this legislation is completed as early as possible and see that the tenants' wishes as well as that of the Zamindars are complied with."

* THE HON. SRI KALA VENKATA RAO :—"Mr. President, Sir, I am very thankful to the House and particularly those members of this House who welcomed this measure and I am also thankful to the members of the Legislature for the points raised by them by way of criticism which will be helpful to me in formulating the official measure with regard to the abolition of zamindari estates.

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“ Well, Sir, many of the criticisms are due to the fact that the ideas have been mixed up. They must realize that the present measure is only a temporary measure and this will lapse as soon as the estates are taken over by the Government and settled. The scheme as I have explained is simply this. We want to abolish the estates in this Presidency and then settle all the estates on the fair principle of the ryotwari rents. When that is our idea the question is raised why this interim measure and why this haste now? Mr. Narayanaswami Nayudu has answered this contention very well. The Bill is long overdue. As a matter of fact you are aware Sir, that in many estates the rent is very high than in the ryotwari areas. The area of the places where it is lower than the ryotwari rents is far less in extent than the areas in which the rent is higher than in the ryotwari areas. Then again the question was raised why the reduction should not be made on the principle of 1802. We do not know the actual increase in the extent of cultivation over 1802. The present increase in rental is due to two factors; one is due to the increase in the extent of cultivation and the second is the increase in rental disproportionate to reasonable standards. We are not able to arrive at the extent of increased cultivation because there was no real survey in 1802 except paimash survey and therefore, we cannot divide the amount of increase as between extent of the land and the actual increase in rental. Therefore, we thought that a golden mean will have to be found and we stuck to the ryotwari rate. This ryotwari rate though not a reasonable and a scientific rate according to me, is still more humane and is better rested upon the economic condition of the country than the rates in the estate areas. Therefore, it is that we thought of the ryotwari rate. The question is asked whether the ryotwari rate is itself is beyond criticism. I say it is not; it is not a scientific rate for the simple reason that it is regressive in nature. Now we a man owning one acre and a man owning thousands of acres on an equal footing; if, at the rate of Rs. 5 the big landlord pays Rs. 5,000, the smaller owner will have to pay Rs. 5 out of his small income. But the result is that for the man who has got a thousand acres his Rs. 5,000 out of his annual income of a lakh of rupees is next to nothing for him but for the other man it will be a real burden, a burden far greater than he could bear and out of all proportion to the burden of the other man. The future land tax system call it the ryotwari system or whatever you like, should be based on a progressive rates and not on the present regressive system. In answer to one criticism whether the Government will sleep over the matter after the abolition of the estates and the bringing down of this rental to the ryotwari level, I would like to tell you, Sir, that this is our first step in a very big reform that is to come. After we reduce the rental to ryotwari level throughout the Presidency, our land revenue system itself will be subject to another legislation in the near future so as to set aside the inequities I have pointed out. This Bill is intended to cover the interim period as there is a great deal of unrest in the province and ryots are saying that their

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rents are weighing very heavily upon them and therefore, they are not at all in a position to pay and therefore, we have to give precedence to reduction of rental. Further, if we want to settle these estates according to known canons of justice and procedure that are found in the Board's Standing Orders, it will take sometime say $3\frac{1}{2}$ to $4\frac{1}{2}$ years. Then of course we would have got a scientific settlement. But the tenants during this period would not keep quiet; a settlement in the year 1952 will not satisfy anybody and no hungry stomach will be fed by such things. To cover the interim period we have thought of a rough and ready method. For that reason, I say you cannot criticise us on grounds of lack of justice or on the ground that the remedy is not scientific. For that you will have to wait for the Bill which aims at settling the question permanently. That will be the time when that kind of criticism may be advanced. As a matter of fact, there are many lacunae in this Bill. As I said in the other House we thought of converting the kind rent also into cash rent and reduce it and we also thought of settlement for each village on the usual basis of survey and settlement but we found that if we adopted both those procedures it will take a long time and we cannot spare so much time. Of course there is a little chaos in the rural areas; rents are not regularly paid and landholders are not able to pay peishkush. Therefore, alone we had to think of a rough and ready method by which we can save the situation. When the other Bill comes, you will have time enough to give suggestions with reference not only to the scientific basis of taxation but also the scientific system of settlement."

SRI B. NARAYANASWAMI NAYUDU :—" The Hiroshima atom bomb! "

THE HON. SRI KALA VENKATA RAO :—" But the whole difficulty is that I do not want to make use of it lest it should fall on those whom I do not want to injure. I do not want to cover points which are not relevant to this Bill and I will only confine myself to two or three important points.

" The one point is that about section 5, which concerns grants to religious inams. I hope by now hon. Sri Bhima Rao would have been convinced that the principle introduced is for this Bill only; whether a similar principle should be incorporated in the other Bill or not, will be a subject for discussion next time. But there is nothing unusual about the grant itself. Even to-day in a large number of villages in the ryotwari areas, there is what is called the mohini grants. The Government collects land revenue for a village say it is Rs. 5,000 for a year, of that Rs. 1,000 is credited to a particular temple. Such grants exist throughout the presidency; we get our inspiration from that and we are following it. The criticism was levelled and I put the word criticism within quotations that if money were paid as compensation, it would be misapplied or spent in a very short time and so we thought that it would be better that the compensation should be in the form of a grant—an annual grant. The plea put forward was whether we were justified in committing our posterity to it and making our

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successors pay for our fault. I would like to submit that such mohini grants even if they were estimated liberally would not be more than 40 lakhs of rupees in the presidency and out of this we will be able to collect some money and therefore the burden on the finances of the country will not be very much. As against this I can straightaway tell you that on account of the whole transaction of the abolition of the estates and the reduction of rental including improvements, the mohini grants, etc., there is scope for making a net gain of one crore of rupees. Therefore, there is no burden on the tax-payer; but the gain may be more than this. With reference to the question of sanctity of contract and the rest, I say I need not take it up now and let us reserve that for the next occasion. Another question was raised with reference to the jurisdiction of courts. As I told hon. Members in the other House, the reason is not that we are afraid of the courts. But the point is that according to the rules of settlement in the ryotwari areas, there is no provision for the jurisdiction of the courts and here also we are not taking any step beyond that. Another point was raised by Mr. Narayanaswami Nayudu about the lands cultivated by the zamindar. There may be waste lands, communal lands or tank-bed lands, which he may keep in his possession. But the question is how this gentleman came into possession of the lands; were they purchased or did he merely create a patta in his name when existing legislation prevented his doing so. Whether the particular land belonged to him or not or whether the patta should be given to him or not are matters to be decided by tribunals. If it is a regularly earned property without anybody having been shoved out, we have no objection to consider about it. I have got an instance in my hand; there is an old book in my room. In a village in the Kistna district a certain gentleman was a pattadar in 1909 but to-day we find another name there and it was introduced somewhere in the middle and this pattadar has now become a tenant-at-will. We do not know how this pattadar suddenly became a tenant-at-will and how this change over took place. We have to go before the tribunal and settle these issues. I will put the question again to him, Sir, how did he get into possession of these cultivated lands. If you had necked out somebody and still you want to claim it as your own, it is a question which will have to be settled at the proper time. If it is not ryoti land, the Bill does not affect them."

SRI ADUSUMALLI GOPALAKRISHNAYYA :—" జమీందారులు స్వంతముగా సాగుచేయుచున్న భూములకు కూడా ఇప్పుడు నిర్ణయించవచ్చా? "

THE HON. SRI KALA VENKATA RAO :—" Regarding the rate payable by the zamindar for the lands in the occupation of the zamindar, if they are in his possession, it will have to be settled when the question of right to occupy that land is settled.

" The tribunal has got to enquire into such matters. If there are any difficulties, we will keep it over till the other becomes law. The zamindar of Kumaramangalam is in a very happy position in

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that the rents are lower than the ryotwari rates and his tenants are very regular in paying him. The other question raised is with reference to kind rent. I must confess that the original idea of converting them into cash rent and reducing them to the same level could not be carried out because of the need for speed in this matter. Otherwise we ought to have converted them into cash and applied the reduced rental. But it would take months before a regular settlement will start and therefore, it has to be eliminated for the present. But another concession has been given. The reduction will be the same percentage as the cash rent. Where cash rent is ascertainable from the registers of the zamindar's books it will be dealt with by means of executive instructions in the light of legal opinion and in the light of our experience as we go into the question. I shall be thankful to members when we work this Bill to bring to the notice of Government any lacuna with reference to the idea of reducing of rental to a uniform level and we shall be very glad to adopt any suggestion that will go to help us in this matter. I thank the House for having given me a patient hearing, and I would request it to pass the measure. Mr. Muthuranga Mudaliyar asks, whether, in the matter of fixing of rent, in areas where the rent is lower than the ryotwari rent, it will be increased. I would not reply him by a 'No' or 'Yes', but I will say as far as compensation is concerned, there will be levelling up; and when they are permanently settled we will adopt the compensation rate. And if he says that we will be doing an unjust thing if we adopt the ryotwari rate, I will only tell him that in this it is only a few who will suffer but many will enjoy a benefit."

SRI C. N. MUTHURANGA MUDALIYAR :—" May I know what rate of rent will Government adopt at the final time; will it be an increased rate where the rates are lower than the ryotwari rates?"

THE HON. SRI KALA VENKATA RAO :—" No, no; I am going to have a progressive rate, and then there will no lower rent or higher rent."

The motion was put and carried.

MR. PRESIDENT :—" Shall we sit and finish the business, or shall we adjourn now for lunch?"

SEVERAL VOICES :—" We will sit and finish the business."

MR. PRESIDENT :—" We shall now take up consideration of the clauses. There is only one amendment given notice of and that relates to clause 2."

Clause 2.

SRI R. SURYANARAYANA RAO :—" Evidently, Sir, the Minister has anticipated what I wanted to convey by this amendment. My object in giving notice of this amendment is, as he has himself stated, that there are estates where the rents are supposed

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to be grain rents, but actually they are converted every year in cash according to the price prevailing in that year and only cash is collected. And I am told there are lease deeds to show that so much of grain is due as rent. So in giving instructions to the Special Officer I want to add this proviso:

Provided further where grain rents are prevalent and they are usually converted and collected in cash, the Special Officer shall treat such villages as villages in which cash rents are prevalent under sub-section (a).'

That is all that I want. I am doubtful if the Minister can give executive instructions in this behalf. Of course if he assures me it will be within his rights I do not mind. But this is a case, perhaps, which escaped the notice of the select committee and the Hon. Minister. If this provision is not there, if there is no estate anywhere near, the Special Officer will have to seek for rates in some other district and then settlement of rent has to be done with reference to the rents prevailing there. I hope the Hon. Minister will appreciate my point. It is not to obstruct him but to assist him in getting the rents fixed in as equitable a manner as possible, be it for however small a temporary period, that I move the amendment."

THE HON. SRI KALA VENKATA RAO:—"Sir, I have anticipated what the hon. Member would say in my reply to the debate, because his amendment was circulated before the House met. If the Legal Department is in favour of it we can consider it. But if this is to be accepted now, the Bill will have to go back to the Assembly, which means, the Bill will not become law for the next one and a half months. Rents are already overdue, and unless the Bill becomes law immediately there will be greater suffering for the ryots. But none the less if the amendment is reasonable I am prepared to get it examined and do the needful. I request the hon. Member to withdraw his amendment."

SRI R. SURYANARAYANA RAO:—"Whether I withdraw or press it to vote, the fate is known. (Laughter.) I hope he will carry out his suggestion, if there is no legal objection. I withdraw my amendment."

The amendment was by leave of the House withdrawn.

Clause 2 was put and carried.

Clauses 3, 4, 5, 6, 7, 8 and 9 were one after the other put and carried.

Clause 1 and the Preamble were put one after the other and carried.

THE HON. SRI KALA VENKATA RAO:—"Mr. President, Sir, I move that the Bill be passed into law. I thank the House for the support they have given to the Bill."

The motion was put and carried.